

## Biotech firm plans \$20M expansion BioMimetic will make product in Cool Springs labs

Nashville Business Journal - by [April Wortham](#) Staff Writer  
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[BioMimetic Therapeutics Inc.](#) is bringing manufacturing of its first U.S. product in-house, a \$20 million investment that will double the biotechnology company's Franklin footprint and add up to 75 jobs over the next three years.

BioMimetic (NASDAQ: BMTI) has about 100 employees at its headquarters at the Cool Springs Life Sciences Center off Mallory Lane, where the company also houses its research and development activities. Adding manufacturing will strengthen its Middle Tennessee operations and bolster efforts to nurture the region's fledgling biopharmaceutical sector.

"There's nothing like this that exists in Middle Tennessee," said Jim Monsor, BioMimetic's senior vice president of operations. "We're moving the bar forward a little bit."

BioMimetic's first product, Augment Bone Graft, is pending approval before the U.S. Food and Drug Administration and is expected to hit the U.S. market by the middle of next year.

At the same time, BioMimetic is seeking FDA approval to package Augment kits at the life science center, as well as store and distribute the product from there. A related permit from the City of Franklin already has passed one review, and BioMimetic is hopeful a final approval will come this month.

Augment is a man-made alternative to grafted human tissue used in orthopedic surgeries. The idea is to help the joint heal faster and stronger, while sparing the patient the pain and possible infection associated with harvesting their own tissue from elsewhere in the body.

BioMimetic is leasing space in an empty building of the life sciences center, and it occupies all 32,000 square feet of the campus's original building. It has hired Brentwood-based Southland Constructors LLC to handle the first phase of the buildout, including construction of a sterile warehouse and cold room for storage.

In the second phase, which should begin sometime in the next 18 months, BioMimetic will build a quality-control laboratory and space for packaging and clean manufacturing. The final phase should come in 2013.

Other formulations of the product aimed at sports medicine could follow, Monsor said.



Photo Credit : James Yates, Nashville Business Journal

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Patricia Ward is a senior associate scientist for BioMimetic Therapeutics, a biotech company based in Franklin. The company is planning a three-year project to add manufacturing facilities to its campus in the Cool Springs Life Sciences Center.

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Kelley Nail Oliver is a research associate at BioMimetic Therapeutics.

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Like most early-stage biotech companies, BioMimetic outsources production to contract manufacturers. BioMimetic has two such partners: Penn Pharma in the United Kingdom, which it has worked with since shortly after BioMimetic's founding in 2001, and Pyramid Laboratories Inc. in California.

By bringing warehousing, distribution and manufacturing in house, BioMimetic hopes to gain more control over its product, Monsor said, ensuring regulatory compliance and helping to manage costs.

State and local officials have contributed more than \$5.5 million toward the construction project. The expansion sends a message to other biotech firms that don't think of Middle Tennessee when looking for a home, said Matt Largen, director of the Williamson County Office of Economic Development.

"They still don't think of biotech when they think of Middle Tennessee," Largen said. "With BioMimetic, we can start building the cluster of biotech not just around corporate headquarters and (research and development), but manufacturing."

### **Building biotech**

Only a handful of biotech companies call Middle Tennessee home, but the numbers are growing, said Kriste Goad, executive director of the Tennessee Biotechnology Association.

TNInvestco, the state program launched last year to support the growth of small Tennessee businesses through the sale of state tax credits, has been a big boost, Goad said, noting that four of the 10 firms awarded TNInvestco funds to date have a specific focus on the life sciences: MB Venture Partners, Innova, Limestone Fund LLC and TriStar Technology Ventures.

"This is great news and opens up a whole new funding source for aspiring and established life science companies in Tennessee and gives us a distinct advantage over many other states," Goad said.

In addition, federal health care reform legislation enacted in March includes \$1 billion worth of tax credits for small firms to promote biomedical research.

The U.S. Treasury Department has not disclosed anything publicly regarding the so-called Therapeutic Discovery Tax Credits. However, Goad said her organization has been told more than 5,000 companies nationwide have submitted applications, and there's talk of expanding the credits into 2011.

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